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Medicare at a Glance

Who runs the Medicare program?

The Centers for Medicare & Medicaid Services (CMS) is the Federal agency that runs "Medicare." CMS is part of the Department of Health and Human Services.

What is Medicare?

Medicare is a health insurance program for

- people age 65 or older,
- people under age 65 with certain disabilities, and
- people of all ages with End-Stage Renal Disease (permanent kidney failure requiring dialysis or kidney transplant).

Medicare has

- Part A (Hospital Insurance)
- Part B (Medical Insurance)

To get Medicare, you must enroll in one or both of these parts.

What does Medicare Part A cover?

Medicare Part A helps cover inpatient care in hospitals, including critical access hospitals, skilled nursing facilities (Medicare doesn't pay for long-term or custodial care), hospice care, and some home health care.

What does Medicare Part B cover?

Medicare Part B helps cover most doctors' services, outpatient care, medically necessary services and supplies, outpatient mental health care, clinical lab services, some home care and supplies, blood, and preventive services (such as cancer screenings and flu shots).

How do I pay for Medicare Part A and/or Part B?

You usually don't have to pay a monthly fee, called a **premium**, for Medicare Part A benefits. This is because you or your spouse paid Medicare taxes while working. If you or your spouse didn't pay Medicare taxes, you may be able to buy Medicare Part A.

Most people must pay for Medicare Part B through a monthly premium ($78.20 in 2005). To make sure you don't pay higher premiums, it's important to sign up for Part B as soon as you are eligible. The cost of Part B may go up 10% for each full 12-month period that you could have had Part B but didn't sign up for it (except in special cases).

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When can I get Medicare?

- If you or your spouse get Social Security or Railroad Retirement Board (RRB) benefits you will be automatically enrolled in Medicare Part A and Part B the first day of the month you turn age 65. If you don't want Medicare Part B, follow the instructions that come with your Medicare card.
- If you're under age 65 and disabled, you will be automatically enrolled in Medicare Part A and Part B after getting disability benefits from Social Security or the RRB for 24 months. If you don't want Medicare Part B, follow the instructions that come with your Medicare card.
- If you're close to age 65 and don't currently get Social Security or RRB benefits, you must apply if you want Medicare Part A and/or Part B.

For information about enrolling in Medicare call the Social Security Administration at 1-800-772-1213. TTY users should call 1-800-325-0778. You can also look at www.medicare.gov on the web. Select "Medicare Eligibility Tool." If you're a railroad employee or Railroad Retirement beneficiary, call your local RRB office or 1-800-808-0772 to apply for Medicare.

What are my Medicare health plan choices?

In most areas, you can get your Medicare benefits in more than one way. Your Medicare health plan choices include the Original Medicare Plan and Medicare Advantage Plans (formerly called Medicare + Choice Plans). It's important to choose the plan that meets your health care needs. Costs for Medicare services depend on what Medicare health plan you choose.

- **Original Medicare Plan**. The Original Medicare Plan, managed by the Federal Government, is available nationwide and accepted by most doctors. It's a "fee-for-service" plan. This means you are usually charged a fee for each health care service or supply you get. For some services, you will pay a fee called a **deductible** before Medicare pays its part. Then, when you get a medical supply or service, Medicare pays its share, and you pay your share, called the **coinsurance** or a **copayment**.
- **Medicare Advantage Plans**. Medicare Advantage offers you many different plan choices by letting private companies manage your health care. These plans are available in many areas of the country. To join a Medicare Advantage Plan, you must have both Medicare Part A and Part B. Some of these plans offer added benefits, like coverage for extra days in the hospital. These plans might charge monthly premiums as well as copayments for services. In some Medicare Advantage Plans, you can only go to doctors, specialists, or hospitals on the plan's list, called a **network**.

With Medicare Advantage, your choices include

- Medicare Managed Care Plans
- Medicare Preferred Provider Organizations (PPOs)
- Medicare Private Fee-for-Service Plans
- Medicare Specialty Plans (provide more focused health care for specific people)

The Medicare health plan that you choose affects many things like cost, benefits, doctor choice, convenience, and quality of care. For help comparing your health plan choices, look at www.medicare.gov on the web. Select "Medicare Personal Plan Finder." Or, call 1-800-MEDICARE (1-800-633-4227). TTY users should call 1-877-486-2048. Be sure to know all of your options before choosing a Medicare health plan so that the plan you choose fits your needs.

What isn't covered by Medicare Part A and Part B in the Original Medicare Plan?

The Original Medicare Plan doesn't cover everything. For example, Medicare doesn't cover dental care, health care you get while traveling outside of the United States (except in limited cases), hearing aids, most hearing exams, long-term care, most eyeglasses, and more. To find out if Medicare covers a service or supply, look at www.medicare.gov on the web. Select "Your Medicare Coverage." Or, call 1-800-MEDICARE (1-800-633-4227).

Can I have other types of health insurance?

Yes. In addition to Medicare, you may already have health care coverage such as employer or retiree coverage or another type of health insurance. There are times when your other coverage or health insurance must pay before Medicare pays. Talk to your benefits administrator to see how your other coverage or health insurance works with Medicare.

If you have the Original Medicare Plan, you might also want to buy a **Medigap** (Medicare Supplement Insurance) **policy**. A Medigap policy is a health insurance policy sold by private insurance companies to fill "gaps" in Original Medicare Plan coverage. You might be able to lower your out-of-pocket costs by buying a Medigap policy. Buying a Medigap policy is your decision. You don't need to buy a Medigap policy if you choose a Medicare Advantage Plan.

How can I get help to pay health care costs?

There are programs that help millions of people with Medicare save money each year. If you have limited income and resources, your State may help pay Medicare premiums and, in some cases, may also pay Medicare deductibles and coinsurance. You must meet certain conditions. Call your State Medical Assistance Office and ask for information on Medicare Savings Programs. To get their telephone number, call 1-800-MEDICARE (1-800-633-4227). For information on help paying health care costs look at www.medicare.gov on the web. Select "Prescription Drug and Other Assistance Programs."

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What are the new changes in Medicare?

The Medicare Modernization Act (MMA) of 2003 gives you more choices in how you get your current health care benefits, and adds new benefits. Medicare-approved drug discount cards are now available. Medicare Prescription Drug Plans start in 2006 to help you pay for your prescription drugs.

Changes also include adding more types of Medicare Advantage Plans. Starting January 1, 2005, new preventive benefits will be available, such as cardiovascular screening blood tests, diabetes screening tests, and a one-time "Welcome to Medicare" physical exam.

What are Medicare-approved drug discount cards?

A Medicare-approved drug discount card can help you save on your outpatient prescription drug costs. These discount cards are available now. You can enroll anytime until December 31, 2005. This is a temporary program to help with your prescription drug costs until Medicare prescription drug plans start in 2006. For more information about Medicare-approved drug discount cards, call 1-800-MEDICARE (1-800-633-4227).

How can I get help paying for my prescription drugs?

If you choose to get a Medicare-approved drug discount card and have a low income, you might get extra help. You might qualify for up to a $600 credit on your discount card in 2004, and again in 2005. You must meet certain conditions. To learn more about the $600 credit and conditions, call 1-800-MEDICARE (1-800-633-4227).

Where can I get more information?

Medicare is here for you 24 hours a day, every day. To get more information about Medicare and to get free Medicare booklets

- look at www.medicare.gov on the web. For free booklets, select "Publications." This is the fastest way to get a copy, or
- call 1-800-MEDICARE (1-800-633-4227). TTY users should call 1-877-486-2048. If you order a booklet, your copy will arrive within three weeks.

Many booklets are available in English, Spanish, Audiotape (English and Spanish), Braille, and Large Print (English and Spanish).

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